

**STATE OF DELAWARE**  
**OFFICE OF**  
**AUDITOR OF ACCOUNTS**

**DEPARTMENT OF EDUCATION**  
**STUDENT ACCOUNTING AND ENROLLMENT AS**  
**OF SEPTEMBER 30, 2005**  
**FOLLOW-UP REPORT**

**FIELDWORK END DATE: DECEMBER 13, 2006**

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# EXECUTIVE SUMMARY

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## **BACKGROUND**

The Office of Auditor of Accounts (AOA) completed a follow-up engagement to determine if recommendations were implemented for the following reports for Student Accounting and Enrollment as of September 30, 2005:

<b>Charter School</b>	<b>Issue Date</b>
Campus Community Charter School	April 7, 2006
Charter School of Wilmington	April 18, 2006
East Side Charter School	April 17, 2006
MOT Charter School	April 10, 2006
Positive Outcomes Charter School	April 11, 2006
Providence Creek Academy	April 21, 2006

## **CONCLUSIONS AND OBSERVATIONS**

The results of the follow-up engagement are summarized below:

- Campus Community Charter School
  - The School partially implemented the recommendation related to policies and procedures.
- Charter School of Wilmington
  - The School partially implemented the recommendation related to policies and procedures.
- East Side Charter School
  - The School partially implemented the recommendation related to policies and procedures.
  - The School implemented the recommendation related to special education student files.
- MOT Charter School
  - The School implemented the recommendation related to policies and procedures.
- Positive Outcomes Charter School
  - The School partially implemented the recommendation related to policies and procedures.
  - The School implemented the recommendation related to signature approvals of attendance forms.
- Providence Creek Academy
  - The School implemented the recommendation related to policies and procedures.

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# AUDIT AUTHORITY

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Title 29, Del. C. c. 29 authorizes the Auditor of Accounts to perform post audits of all the financial transactions of all State agencies. The law requires that the audits be made in conformity with generally accepted auditing principles and practices. Such principles and practices are established by two standard setting bodies: the American Institute of Certified Public Accountants, which has issued generally accepted auditing standards; and the U.S. General Accountability Office, which has issued generally accepted government auditing standards.

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# BACKGROUND

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The Office of Auditor of Accounts (AOA) issued a series of charter school agreed-upon procedures reports for Student Accounting and Enrollment as of September 30, 2005. The schools and report issue dates are as follows:

<b>Charter School</b>	<b>Issue Date</b>
Campus Community Charter School	April 7, 2006
Charter School of Wilmington	April 18, 2006
East Side Charter School	April 17, 2006
MOT Charter School	April 10, 2006
Positive Outcomes Charter School	April 11, 2006
Providence Creek Academy	April 21, 2006

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# OBJECTIVE, SCOPE, AND METHODOLOGY

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## **OBJECTIVE AND SCOPE**

The objective of the following engagement was to identify and evaluate the adequacy of management actions in response to the findings and recommendations included in the following reports:

<b>Charter School</b>	<b>Issue Date</b>
Campus Community Charter School	April 7, 2006
Charter School of Wilmington	April 18, 2006
East Side Charter School	April 17, 2006
MOT Charter School	April 10, 2006
Positive Outcomes Charter School	April 11, 2006
Providence Creek Academy	April 21, 2006

The scope of this engagement, a non-audit service, was limited to a follow-up of the aforementioned reports. Fieldwork was conducted from October 17, 2006 through December 13, 2006.

## **METHODOLOGY**

AOA's procedures consisted of interviews, inquiry, and inspection of documentation. The current year status of findings and recommendations was reported as follows:

- Implemented – The concern has been addressed by implementing the original or an alternative corrective action.
- Partially Implemented – The corrective action has been initiated but is not complete and the auditor has reason to believe management fully intends to address the concern.
- Not Implemented – The corrective action has not been implemented.

# STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS

The following table summarizes prior year findings, recommendations, management responses, and the results of the current year follow-up engagement.

Finding	Recommendation	Management Response	Current Year Status*
<i>CAMPUS COMMUNITY CHARTER SCHOOL</i>			
The School does not maintain sufficient written internal policies/procedures governing preparation, review, and reporting of the September 30th student count.	The School further develop and implement written policies and procedures governing the prep, review and reporting of the September 30th student enrollment figures.	The School agrees to update its current policies and procedures to reflect the auditors recommendations.	Partially Implemented.
The School included two students in the September 30, 2005 student enrollment that were ineligible to be included in the count.	The School review DOE regulations for Student Accounting and Enrollment and ensure the underlying documentation supports the number of eligible students reported.	The School agrees to follow the recommendations made in the report.	Implemented.
<i>CHARTER SCHOOL OF WILMINGTON</i>			
The School does not maintain sufficient written internal policies/procedures governing preparation, review, and reporting of the September 30th student count.	The School further develop and implement written policies and procedures governing the prep, review and reporting of the September 30th student enrollment figures.	The School agrees with the finding and will develop written policies and procedures for the September 30th count.	Partially Implemented.
<i>EAST SIDE CHARTER SCHOOL</i>			
The School does not maintain sufficient written internal policies/procedures governing preparation, review, and reporting of the September 30th student count.	The School further develop and implement written policies and procedures governing the prep, review and reporting of the September 30th student enrollment figures.	The School did not respond to this finding.	Partially Implemented.

# STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS

Finding	Recommendation	Management Response	Current Year Status*
<i>EAST SIDE CHARTER SCHOOL (continued)</i>			
The School incorrectly reported the disability category for one 4th grade special education student.	The School review and update the records to reflect the correct disability category and in the future report special education students based on the level of services as defined in IEP.	The School acknowledges their mistake and accepts the recommendation made by the AOA.	Implemented.
<i>MOT CHARTER SCHOOL</i>			
The School does not maintain sufficient written internal policies/procedures governing preparation, review, and reporting of the September 30th student count.	The School further develop and implement written policies and procedures governing the prep, review and reporting of the September 30th student enrollment figures.	The School will document its policies and procedures in accordance with the recommendation.	Implemented.
<i>POSITIVE OUTCOMES CHARTER SCHOOL</i>			
The School does not maintain sufficient written internal policies/procedures governing preparation, review, and reporting of the September 30th student count.	The School further develop and implement written policies and procedures governing the prep, review and reporting of the September 30th student enrollment figures.	The School will develop and implement policies and procedures as recommended by the Auditors Office.	Partially Implemented.
The School did not require that teachers sign the attendance registers for the ten-day enrollment count period.	The School ensure that the End of Day Teacher Status Report be prepared, signed, and dated to document attendance in accordance with DOE guidance for the ten-day count period in September.	The School agrees to follow the recommendations made in the report.	Implemented.



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# STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS

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Finding	Recommendation	Management Response	Current Year Status*
<i>PROVIDENCE CREEK ACADEMY</i>			
The School does not maintain sufficient written internal policies/procedures governing preparation, review, and reporting of the September 30th student count.	The School further develop and implement written policies and procedures governing the prep, review and reporting of the September 30th student enrollment figures.	The School accepts the Office of Auditor of Accounts finding.	Implemented.

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# DISTRIBUTION OF REPORT

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Copies of this report have been distributed to the following public officials:

Executive Branch

The Honorable Ruth Ann Minner, Governor, State of Delaware  
The Honorable Richard S. Cordrey, Secretary, Department of Finance  
The Honorable Jennifer W. Davis, Director, Office of Management and Budget  
Ms. Trisha Neely, Director, Division of Accounting

Legislative Branch

The Honorable Russell T. Larson, Controller General, Office of the Controller General

Other Elective Offices

The Honorable Carl C. Danberg, Attorney General, Office of the Attorney General

Other

Ms. Valerie A. Woodruff, Secretary of Education, Department of Education  
Ms. Dorcell S. Spence, Associate Secretary of Education, Finance and Administrative Services,  
Department of Education  
Gloria Homer, President, Campus Community Charter School  
Trish Hermance, Administrator, Campus Community Charter School  
Heidi Greene, Administrator, Campus Community Charter School  
Raymond Siegfried, Chairperson, Charter School of Wilmington  
Ronald R. Russo, J.D., President, Charter School of Wilmington  
Donald C. DeWees, Jr., Chairperson, East Side Charter School  
Will Robinson, Executive Director, East Side Charter School  
Lou Savino, Chairperson, MOT Charter School  
Linda J. Jennings, Esquire, Head of School, MOT Charter School  
Dorothy Sbriglia, Chairperson, Positive Outcomes Charter School  
Edward J. Emmet, Jr., Director, Positive Outcomes Charter School  
Joan Messick, President, Providence Creek Academy  
Charles E. Taylor, Managing Director, Providence Creek Academy